

## Alcohol and Tobacco Tax and Trade Bureau, Treasury

§41.31

### §41.29 Delegations of the Administrator.

The regulatory authorities of the Administrator contained in this part are delegated to appropriate TTB officers. These TTB officers are specified in TTB Order 1135.41, Delegation of the Administrator's Authorities in 27 CFR Part 41, Importation of Tobacco Products and Cigarette Papers and Tubes. You may obtain a copy of this order by accessing the TTB Web site (<http://www.ttb.gov>) or by mailing a request to the Alcohol and Tobacco Tax and Trade Bureau, National Revenue Center, 550 Main Street, Room 1516, Cincinnati, OH 45202.

[T.D. TTB-16, 69 FR 52424, Aug. 26, 2004]

## Subpart D—Taxes

### TAX RATES

#### §41.30 Pipe tobacco and roll-your-own tobacco tax rates.

(a) *Tax rates.* Pipe tobacco and roll-your-own tobacco are taxed at the following rates under 26 U.S.C. 5701(f) and (g), respectively:

| Product                    | Tax rate per pound* for removals during the following periods: |                         |
|----------------------------|----------------------------------------------------------------|-------------------------|
|                            | 2002 to March 31, 2009                                         | April 1, 2009 and after |
| Pipe tobacco .....         | \$ 1.0969 .....                                                | \$ 2.8311               |
| Roll-your-own tobacco .... | \$ 1.0969 .....                                                | \$ 24.78                |

\* Prorate tax for fractions of a pound.

(b) *Classification.* (1) Pipe tobacco and roll-your-own tobacco, before removal subject to tax, must be put up in packages that conform to the requirements of §41.71 and of §41.72a or §41.72b as appropriate.

(2) Any tobacco that has been processed and that is removed in a package, as that term is defined in §41.11, that does not bear the notice for smokeless tobacco prescribed in §41.72 or the notice for pipe tobacco prescribed in §41.72a is deemed to be roll-your-own tobacco and subject to tax at the rate applicable to roll-your-own tobacco.

(3) Subject to paragraph (b)(4) of this section, any tobacco that has been processed and that is removed in a package, as that term is defined in §41.11, is deemed to be roll-your-own tobacco and subject to tax at the rate

applicable to roll-your-own tobacco, even though the package bears the notice required for pipe tobacco under §41.72a, if:

(i) The package does not bear the declaration "pipe tobacco" in direct conjunction with, parallel to, and in substantially the same conspicuousness of type and background as the brand name each time the brand name appears on the package; or

(ii) The package or accompanying materials bear any representation that would suggest a use other than as pipe tobacco.

(4) During the period from June 22, 2009, through March 23, 2010, importers may continue to remove products as pipe tobacco in packages that do not bear the declaration "pipe tobacco" in the manner prescribed in paragraph (b)(3)(i) of this section.

(26 U.S.C. 5702 and 5723)

[T.D. TTB-75, 74 FR 14483, Mar. 31, 2009, as amended by T.D. TTB-78, 74 FR 29415, June 22, 2009; T.D. TTB-81, 74 FR 48654, Sept. 24, 2009]

EFFECTIVE DATE NOTES: 1. By T.D. TTB-78, 74 FR 29415, June 22, 2009, §41.30 was amended by designating the existing text as paragraph (a), and by adding a heading to newly designated paragraph (a) and adding a new paragraph (b), effective June 22, 2009 through June 22, 2012.

2. By T.D. TTB-81, 74 FR 48654, Sept. 24, 2009, §41.30(b)(3) was amended by removing the words "Any tobacco" and adding, in their place, the words "Subject to paragraph (b)(4) of this section, any tobacco", and a new paragraph (b)(4) was added, effective June 22, 2009 through June 22, 2012.

#### §41.31 Cigar tax rates.

(a) Cigars are taxed at the following rates under 26 U.S.C. 5701(a):

| Type and amount                              | Tax rate for removals during the following periods: |                         |
|----------------------------------------------|-----------------------------------------------------|-------------------------|
|                                              | 2002 to March 31, 2009                              | April 1, 2009 and after |
| Small cigars per thousand.                   | \$1.828 .....                                       | \$50.33                 |
| Large cigars*<br>• percentage of sale price. | 20.719% .....                                       | 52.750%                 |